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UNITED STATES BANKRUPTCY COURT

DISTRICT OF OREGON

In re:

MARK DELONG,

Debtor.

Case No. 17-34395-pcm11

THIRD AMENDED DEBTOR'S
DISCLOSURE STATEMENT (DATED
JUNE 8, 2018)

I. INTRODUCTION

This is the disclosure statement (the "Disclosure Statement") in the individual Chapter 11 case of Mark E. DeLong (the "Debtor"). This Disclosure Statement contains information about the Debtor and describes the Debtor's Plan of Reorganization Dated May 11, 2018 (the "Plan") filed by Debtor. A full copy of the Plan is attached to this Disclosure Statement as **Exhibit A**.

YOUR RIGHTS MAY BE AFFECTED. YOU SHOULD READ THE PLAN AND THIS DISCLOSURE STATEMENT CAREFULLY AND DISCUSS THEM WITH YOUR ATTORNEY. IF YOU DO NOT HAVE AN ATTORNEY, YOU MAY WISH TO CONSULT ONE.

THE PLAN PROPOSES TO PAY UNSECURED CREDITORS THEIR PRO RATA SHARE OF \$425,000, OR APPROXIMATELY 13.2% OF THEIR CLAIMS, COMMENCING TWO YEARS AFTER THE EFFECTIVE DATE.

1 The proposed distributions under the Plan are discussed at pages 7-9 of this Disclosure
2 Statement. General unsecured creditors not entitled to priority treatment are classified in Class 6
3 of the Plan, and will receive distributions as set forth in Section III C (3) below.

4 **A. Purpose of This Document**

This Disclosure Statement describes:

- 5 • The Debtor and significant events during the bankruptcy case;
- 6 • How the Plan proposes to treat claims or equity interests of the type you hold (i.e.,
7 what you will receive on your claim or equity interest if the plan is confirmed);
- 8 • Who can vote on or object to the Plan;
- 9 • What factors the Bankruptcy Court (the “Court”) will consider when deciding
10 whether to confirm the Plan;
- 11 • Why the Debtor believe the Plan is feasible, and how the treatment of your claim or
12 interest under the Plan compares to what you would receive on your claim or interest
13 in liquidation; and
- 14 • The effect of confirmation of the Plan.

And includes the following exhibits:

EXHIBIT A: Debtor’s Proposed Plan of Reorganization

EXHIBIT B: Liquidation Analysis

EXHIBIT C: Debtor’s Projected Income and Expenses During Plan

15 Be sure to read the Plan as well as the Disclosure Statement. This Disclosure Statement
16 describes the Plan, but it is the Plan itself that will, if confirmed, establish your rights.

17 **The only representations that are authorized by the Debtor concerning the Debtor,**
18 **the value of its assets, the extent of their liabilities, or any facts material to the Plan are**
19 **representations contained in this Disclosure Statement, the Schedules, the Statement of**
20 **Financial Affairs, and the monthly financial reports filed with the Court. No**
21 **representations concerning this Plan or the Debtor, other than those contained in this**
22 **Disclosure Statement, the Schedules, the Statement of Financial Affairs, and the monthly**
23 **financial reports filed with the Court should be relied upon. Any other representations**
24 **should be reported to Nicholas J. Henderson, attorney for the Debtor in Possession, for**
25 **referral to the Court for appropriate action.**
26

1 **B. Deadlines for Voting and Objecting; Date of Plan Confirmation Hearing**

2 The Court has not yet confirmed the Plan described in this Disclosure Statement. This
3 section describes the procedures pursuant to which the Plan will or will not be confirmed.

4 **1. Time and Place of the Hearing to Confirm the Plan**

5 The hearing at which the Court will determine whether to confirm the Plan will take
6 place on August 15, 2018, at 9:00 am before the Honorable Peter C. McKittrick, United States
7 Bankruptcy Judge, Courtroom No. 1, 1001 SW Fifth Ave., Suite 700, Portland, OR 97204. The
8 Bankruptcy Court will confirm the Plan only if the relevant requirements set forth in 11 U.S.C. §
1129 are satisfied.

9 **2. Deadline For Voting to Accept or Reject the Plan**

10 If you are entitled to vote to accept or reject the plan, vote on the enclosed ballot and
11 return the ballot in the enclosed envelope to Nicholas J. Henderson Attorney for Debtor, 117 SW
12 Taylor Street, Suite 300, Portland, OR 97204. See section IV.A. below for a discussion of voting
eligibility requirements.

13 Your ballot must be received by the date specified in the attached Order, or it will not be
14 counted.

15 **3. Deadline For Objecting to Confirmation of the Plan.**

16 Objections to confirmation of the Plan must be in writing and must be filed with the
17 Clerk of the Bankruptcy Court and served on counsel for Debtor on or before the date specified
18 in the attached Order. Counsel for Debtor, on whom objections must be served, is Nicholas J.
19 Henderson, Motschenbacher & Blattner, LLP, 117 SW Taylor Street, Suite 300, Portland, OR
97204; facsimile: (503) 417-0527; email: nhenderson@portlaw.com.

20 **4. Identity of Person to Contact for More Information**

21 If you want additional information about the Plan, you should contact Counsel for
22 Debtor, Nicholas J. Henderson, Motschenbacher & Blattner, LLP, 117 SW Taylor Street, Suite
300, Portland, OR 97204; facsimile: (503) 417-0527; email: nhenderson@portlaw.com.

23 **C. Disclaimer**

24 If accompanied by a Court Order stating that the Court has conditionally approved this
25 Disclosure Statement, then the Court has conditionally approved this Disclosure Statement as
26 containing adequate information to enable parties affected by the Plan to make an informed

1 judgment about its terms. If no order accompanies this Disclosure Statement, then the Court has
2 not conditionally approved this Disclosure Statement. The Court has not yet determined whether
3 the Plan meets the legal requirements for confirmation, and the fact that the Court has approved
4 this Disclosure Statement does not constitute an endorsement of the Plan by the Court, or a
5 recommendation that it be accepted. The Court's approval of this Disclosure Statement is subject
6 to final approval at the hearing on confirmation of the Plan.

7 **II. BACKGROUND**

8 **A. Description and History of the Debtor and Events Leading to Bankruptcy.**

9 The Debtor, Mark Delong, is a cattle rancher in Vale, Oregon. For the past 40 years, the
10 Debtor has ranched cattle and acquired real property for his operations. His cattle business
11 experience is diverse. He runs cattle for his own account on his land, custom feeds cattle owned
12 by others and buys and sells cattle on his own account and as a service for others. The Debtor
13 currently owns approximately 850 acres of real property and possesses a state issued
14 Concentrated Animal Feeding Operation ("CAFO") license allowing him to feed up to 7,000
15 cattle on a portion of his property. The Debtor's CAFO license is valuable because current
16 regulations would not allow such a license to be issued for the Debtor's property.

17 The Debtor's business has historically relied on an operating line of credit from a bank to
18 fund cattle purchases. The Debtor would buy cattle, raise them for approximately 120 days, and
19 then resell them for a profit. The profits would pay back the line of credit and the debtor would
20 buy more cattle utilizing a new disbursement from the line of credit.

21 In 2014, the Debtor fell behind on his payments to his primary creditor Bank of Eastern
22 Oregon. The Debtor alleges that the Bank of Eastern Oregon breached its loan agreements with
23 the Debtor in various ways, and further alleges that the Debtor's financial problems resulted
24 from the bank's breaches. The Bank of Eastern Oregon initiated a foreclosure action, which
25 precipitated this bankruptcy filing.

26 The Debtor filed an adversarial proceeding against the Bank of Eastern Oregon on
February 28, 2018 and is currently litigating his claims against the Bank of Eastern Oregon. No
judicial determination has been made regarding the Debtor's allegations. If the Debtor is not
successful in litigation against the Bank of Eastern Oregon, then the percentage recovery of
unsecured creditors could be reduced on account of additional attorney's fees claimed by the

1 Bank of Eastern Oregon. If the Debtor is successful, then other creditors may receive a greater or
2 faster payment than is currently projected in the Plan, depending on the specific litigation
3 outcome. The case is currently set for trial on January 29, 2019.

4 The Debtor is not currently operating his cattle business. He has not been able to obtain
5 regular credit to purchase cattle on account of the Bank of Eastern Oregon's liens on his
6 property. He has sold some scrap material and equipment. Property related expenses are being
7 paid by the Debtor's long-term significant other Pattie Baker pursuant to a lease. Under the
8 lease, Ms. Baker uses the Debtor's real property to graze her cattle and in turn she pays the
9 expenses related to the Debtor's real property. Ms. Baker has also paid the Debtor's living and
operating expenses during the pendency of this proceeding.

10 **B. Insiders of the Debtor.**

There are no insiders other than the Debtor himself.

11 **C. Management of the Debtor Before and During the Bankruptcy.**

12 During the two years prior to the date on which the bankruptcy petition was filed, and at
13 all times since the filing of the petition, the Debtor has exclusively managed his business affairs.
14 Additionally, Debtor is assisted by Pattie Baker, who is also a creditor holding an unsecured
claim.

15 After the effective date of the order confirming the Plan, the Debtor shall continue to
16 exclusively manager his business affairs.

17 **D. Significant Events During the Bankruptcy Case.**

18 The following is a list of significant events that have occurred since the petition:

<u>Date</u>	<u>Event</u>
11/28/2017:	Commencement of case under Chapter 11 of the Bankruptcy Code;
11/28/2017:	Application to Employ Nicholas J. Henderson, and the law firm of Motschenbacher & Blattner LLP and filed;
1/2/2018	Case Management Documents filed.
1/3/2018	Motion for Relief from Stay Filed by Bank of Eastern Oregon
1/5/2018	Meeting of Creditors was held by the United States Trustee;
1/5/2018	Case Management Conference held in the U.S. Bankruptcy Court.

1
2 1/17/2018 Order Authorizing Employment of Motschenbacher & Blattner LLP
3 entered by the Bankruptcy Court;
4
5 2/27/2018 Hearing held in the U.S. Bankruptcy Court regarding Bank of Eastern
6 Oregon's Motion for Relief from Stay;
7 2/28/2018 Adversary Proceeding filed by Debtor against Bank of Eastern Oregon
8 Adv. Proc No. 18-03020-pcm11
9 2/28/2018 Application to Employ Judge, Lang & Katers as Special Counsel filed;
10 3/29/2018 Order Authorizing Employment of Judge, Lang & Katers entered by the
11 Bankruptcy Court
12 4/12/2018 Plan and Disclosure Statement filed;

13
14 **E. Projected Recovery of Avoidable Transfers.**

15 The Debtor does not anticipate pursuing any preference, fraudulent conveyance, or other
16 avoidance actions.

17 **F. Claims Objections.**

18 Except to the extent that a claim is already allowed pursuant to a final non-appealable
19 order, the Debtor reserve the right to object to claims. Therefore, even if your claim is allowed
20 for voting purposes, you may not be entitled to a distribution if an objection to your claim is later
21 upheld. The procedures for resolving disputed claims are set forth in Article VI of the Plan.

22
23 **III. SUMMARY OF THE PLAN OF REORGANIZATION AND TREATMENT OF**
24 **CLAIMS AND EQUITY INTERESTS.**

25 **A. What is the Purpose of the Plan of Reorganization?**

26 As required by the Code, the Plan places claims and equity interests in various classes
and describes the treatment each class will receive. The Plan also states whether each class of
claims or equity interests is impaired or unimpaired. If the Plan is confirmed, your recovery will
be limited to the amount provided by the Plan.

B. Unclassified Claims

Certain types of claims are automatically entitled to specific treatment under the Code. They are not considered impaired, and holders of such claims do not vote on the Plan. They may, however, object if, in their view, their treatment under the Plan does not comply with that required by the Code. As such, the Debtor have not placed the following claims in any class:

1. Administrative Expenses

Administrative expenses are costs or expenses of administering the Debtor's Chapter 11 case which are allowed under § 507(a)(2) of the Code. Administrative expenses also include the value of any goods sold to the Debtor in the ordinary course of business and received within 20 days before the date of the bankruptcy petition. The Code requires that all administrative expenses be paid on the effective date of the Plan, unless a particular claimant agrees to a different treatment.

The following chart lists the Debtor's estimated administrative expenses, and their proposed treatment under the Plan:

<u>Type</u>	<u>Estimated Amount Owed</u>	<u>Proposed Treatment</u>
Expenses Arising in the Ordinary Course of Business After the Petition Date	None	Paid in full on the effective date of the Plan, or according to terms of obligation if later.
The Value of Goods Received in the Ordinary Course of Business Within 20 Days Before the Petition Date	None	Paid in full on the effective date of the Plan, or according to terms of obligation if later.
Professional Fees, as approved by the Court.	\$75,000 (estimated)	Paid in full on the effective date or according to a separate written agreement after such fees have been approved by the Court
Clerk's Office Fees	None	Paid in full on the effective date of the Plan
Other administrative expenses	None	Paid in full on the effective date of the Plan or according to separate written agreement
Office of the U.S. Trustee Fees	\$325	Paid in full on the effective date of the Plan or when due
TOTAL	\$75,325	

2. Priority Tax Claims

Priority tax claims are unsecured income, employment, and other taxes described by § 507(a)(8) of the Code. Unless the holder of such a § 507(a)(8) priority tax claim agrees

otherwise, it must receive the present value of such claim, in regular installments paid over a period not exceeding 5 years from the order of relief.

The following chart lists the Debtor's estimated § 507(a)(8) priority tax claims and their proposed treatment under the Plan:

Description	Estimated Amount	Post petition Interest Rate	Treatment
IRS- Income Tax	\$11,292	5%	4 Bi-annual payments of \$3,006

C. Classes of Claims and Equity Interests

The following are the classes set forth in the Plan, and the proposed treatment that they will receive under the Plan..

1. Classes of Secured Claims

Allowed Secured Claims are claims secured by property of the Debtor's bankruptcy estate (or that are subject to setoff) to the extent allowed as secured claims under § 506 of the Code. If the value of the collateral or setoffs securing the creditor's claim is less than the amount of the creditor's allowed claim, the deficiency will be classified as a general unsecured claim.

The following chart lists all classes containing Debtor's secured prepetition claims and their proposed treatment under the Plan. Each creditor's lien is secured against the Property and they are listed in priority order, starting with the most senior creditor:

Class	Description	Impairment	Collateral / Treatment
1	Malheur County	Impaired	Class 1 will receive one lump-sum payment on or before January 31, 2019 of approximately \$30,000. The claim will continue to be secured by a lien in all real and personal property that secured the lien as of the Petition Date, with the same priority such liens had as of the Petition Date.
2	Bank of Eastern Oregon	Impaired	Class 2 is disputed and is the subject of litigation in adversary proceeding no. 18-03020-pcm. To the extent allowed as a secured claim, the Class 2 claim shall remain in effect, except for the following modifications to the loan documents evidencing the claim: a) All defaults existing shall be deemed cured on the Effective Date; b) The claim shall accrue interest at 5.25% per year from the Effective Date until paid.

			<p>c) The Class 2 claim shall be amortized over twenty years from the Effective Date;</p> <p>d) The maturity date of the debt shall be extended to July 31, 2025;</p> <p>e) The Debtor may pre-pay the claim without penalty</p> <p>Starting January 15, 2019, the Debtor will pay Bank of Eastern Oregon \$192,000 bi-annually. Bank of Eastern Oregon will release its assert security interest in all assets except the Debtor real property and irrigation equipment.</p>
3	Deere & Company	Impaired	<p>Class 3 will continue to be secured by a lien in equipment that secured the lien as of the Petition Date, with the same priority such lien had as of the Petition Date. Class 3 will be paid in full, with interest at 3.4% per annum, in one lump-sum on or before July 31, 2019 of approximately \$18,500.</p>
4	Northwest Farm Credit Services	Impaired	<p>Class 4 will continue to be secured by a lien in real property that secured the lien as of the Petition Date, with the same priority such lien had as of the Petition Date. Class 4 will be paid in full, with interest at 5.25% per annum, in one lump-sum on or before July 31, 2019 of approximately \$45,000.</p>
5	AB Livestock, LLC	Impaired	<p>Class 5 will continue to be secured by a second-position lien in non-irrigation equipment. Class 5 will be paid in full, with interest at 5.25% per annum, in equal bi-annual installments of \$25,000 commencing on July 31, 2019, with similar payments due on the last day of the calendar months six months thereafter, until paid. AB Livestock, LLC will release its security interest in all assets other than the non-irrigation equipment.</p>

2. Classes of Priority Unsecured Claims

Certain priority claims that are referred to in §§ 507(a)(1), (4), (5), (6), and (7) of the Code are required to be placed in classes. The Code requires that each holder of such a claim receive cash on the effective date of the Plan equal to the allowed amount of such claim. However, a class of holders of such claims may vote to accept different treatment.

Other than Priority Tax Claims, described above, the Debtor does not have any Priority Unsecured Claims.

3. Classes of General Unsecured Claims

General unsecured claims are not secured by property of the estate and are not entitled to priority under § 507(a) of the Code. The Plan specifies 1 class of general unsecured claims.

Class 5 shall consist of all allowed general unsecured claims. The following chart identifies the Plan's proposed treatment of Class 5:

Class #	Description	Impairment	Treatment
6	Unsecured Class	Impaired	Each creditor holding an allowed general unsecured claim will receive pro-rata share of \$425,000, paid in annual installments, with such payments to commence within two years of the Effective Date. The Debtor may prepay all or any portion of such Claims at any time.

4. Classes of Equity Interest Holders

Equity interest holders are parties who hold an ownership interest (i.e., equity interest) in the Debtor. In a corporation, entities holding preferred or common stock are equity interest holders. In a partnership, equity interest holders include both general and limited partners. In a limited liability company ("LLC"), the equity interest holders are the members. Finally, with respect to an individual who is a Debtor, the Debtor is the Interest holder.

The following chart sets forth the Plan's proposed treatment of the class of equity interest holders:

Class #	Description	Impairment	Treatment
7	Interests of the individual Debtor.	Unimpaired	The Class 6 individual Debtor shall retain all of its rights.

The above is intended only as a summary and brief description of the Plan. Many of the operative provisions of the Plan that may affect the treatment of specific claims may have been omitted from this brief description. Therefore, the Plan should be read fully and carefully to determine how a specific claim is to be treated under the Plan.

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1 **D. Means of Implementing the Plan**

2 The Debtor shall generate the funds necessary to make the payments under the Plan by
3 contributing a portion of the Debtor's rental income under the terms of a new lease agreement
4 with Pattie Baker, and by restarting cattle purchasing, feeding and sales. Debtor will obtain
5 additional financing outside of bankruptcy to obtain funds necessary to purchase cattle and pay
6 for operating expenses. The Debtor plans to obtain a USA Farm Service Agency loan in the
7 amount of \$300,000, twice per year. Initially, the FSA loan will enable to purchase
8 approximately 600 head of cattle, which he will feed for approximately 150 days, and will then
9 sell for a profit. The Debtor will also custom feed cattle belong to other cattle farmers. The
10 revenue the Debtor expects to receive from such activities is reflected in **Exhibit C**. The Debtor
11 will also continue to provide services to other cattle farmers, for which he is paid a commission.
12 The Debtor does not anticipate making any significant changes to his household budget during
13 the life of the Plan, other than to expand his cattle purchasing operations if he is able to obtain
14 financing in larger amounts than is offered by the FSA.

15 Ms. Baker has the financial ability to perform under the Debtor's lease with her. She
16 earns a living raising beef cattle independent of the Debtor, and has done so for the past 22 years.
17 During the term of the proposed lease with the Debtor, she anticipates running approximately
18 200 cows which will generate \$150,000 in gross profit annually. From these profits, she will
19 have sufficient funds to pay all of her operating costs, including the lease payments. She has cash
20 on hand sufficient to fund her obligations under the Plan on the Effective Date.

21 On the Effective Date of the Plan, the Debtor estimates that he will have approximately
22 \$18,245 in cash on hand. That cash will be used to pay those administrative expenses required to
23 be paid at confirmation, including US Trustee fees in the amount of \$325, and attorney's fee as
24 may be approved by the court. Debtor's attorneys estimate the total amount of fees due at
25 confirmation will be \$75,000. If necessary, Debtor's attorneys will enter into a separate
26 agreement allowing the Debtor to pay \$25,000 upon confirmation, with the remaining amount of
27 fees to be paid after confirmation. Such an agreement will allow the Debtor to retain funds to
28 necessary for plan implementation.

29 The Debtor, creditors, and interest holders will take all actions and execute whatever
30 documents are necessary and appropriate to effectuate the terms of the Plan.

1 **E. Risk Factors**

2 This Disclosure Statement contains statements that are based on projected financial
3 estimates, and therefore involve risks and uncertainty. Such risks and uncertainty include, but are
4 not limited to, the risk that the Debtor's income and expense projections are erroneous, the risk
5 that the Debtor will be unable to obtain the financing necessary to purchase cattle to restart his
6 cattle farming operations. Additionally, there is a risk that the Debtor will not be able to obtain
contracts for custom feeding to the extent necessary to fund the Plan.

7 Creditors and equity interest holders should carefully consider these risks when
8 evaluating the Plan.

9 **F. Executory Contracts and Unexpired Leases**

10 The Plan, in Article VII, lists all executory contracts and unexpired leases that the Debtor
11 will assume under the Plan. Assumption means that the Debtor has elected to continue to
12 perform the obligations under such contracts and unexpired leases, and to cure defaults of the
13 type that must be cured under the Code, if any. Article VII also lists how the Debtor will cure
and compensate the other party to such contract or lease for any such defaults.

14 If you object to the assumption of your unexpired lease or executory contract, the
15 proposed cure of any defaults, or the adequacy of assurance of performance, you must file and
16 serve your objection to the Plan within the deadline for objecting to the confirmation of the Plan,
unless the Court has set an earlier time.

17 All executory contracts and unexpired leases that are not listed in Article VII will be
18 rejected under the Plan. Consult your adviser or attorney for more specific information about
19 particular contracts or leases.

20 If you object to the rejection of your contract or lease, you must file and serve your
21 objection to the Plan within the deadline for objecting to the confirmation of the Plan.

22 **G. Tax Consequences of Plan**

23 *Creditors and Interest Holders Concerned with How the Plan May Affect Their Tax
24 Liability Should Consult with Their Own Accountants, Attorneys, and/or Advisors.*

25 The following discussion summarizes in general terms certain federal income tax
26 consequences of the implementation of the Plan based upon existing provisions of the Internal
Revenue Code of 1986, as amended (the "Internal Revenue Code"), court decisions, and current

1 administrative rulings and practice. This summary does not address the federal income tax
2 consequences of the Plan to holders of priority or secured claims, nor does it address any state,
3 local or foreign tax matters or the federal income tax consequences to certain types of creditors
4 (including financial institutions, life insurance companies, tax exempt organizations and foreign
5 taxpayers) to which special rules may apply. No rulings or opinions have been or will be
6 requested from the Internal Revenue Service with respect to any of the tax aspects of the Plan.

7 **THIS ANALYSIS DOES NOT ADDRESS THE TAX IMPLICATIONS OF THE PLAN**
8 **TO ANY SPECIFIC CREDITOR.** Substantial differences in the tax implications are likely to be
9 encountered by the creditors because of the difference in the nature of their Claims, their
10 taxpayer status, their method of accounting, and the impact of prior actions they may have taken
11 with respect to their Claims.

12 The following are the anticipated tax consequences of the Plan:

13 **1. Tax Consequences to the Debtor.**

14 The Debtor does not anticipate any extraordinary or unusual tax consequences because all
15 claims will be paid in full. He will experience ordinary income from employment and rents
16 received. He will experience ordinary expenses for any business related expenses and interest
17 expense. Debt reduction will be a capital (non-deductible) expense.

18 **2. General Tax Consequences on Creditors.**

19 Creditors will not experience any unusual or extraordinary tax consequence following
20 Confirmation of the Plan. Payments will be treated in the same manner as they were treated
21 before Confirmation of the Plan. As discussed above, the effect of the Plan on specific creditors
22 will depend on specific financial information relative to such creditor that is unknown to the
23 Debtor. As a result, the tax implications to specific creditors cannot be completely described
24 herein.

25 **THE OPINIONS SET FORTH IN THIS DISCLOSURE STATEMENT ARE**
26 **STRICTLY THOSE OF THE DEBTOR AND/OR THEIR TAX ADVISORS. THE PLAN MAY**
27 **HAVE TAX CONSEQUENCES TO CREDITORS. TAXING AUTHORITIES ARE NOT**
28 **BOUND BY THIS DISCLOSURE STATEMENT OR THE DEBTOR'S OPINIONS**
29 **REGARDING TAX CONSEQUENCES OF THE PLAN.**

30 **////**

1 **IV. CONFIRMATION REQUIREMENTS AND PROCEDURES**

2 To be confirmable, the Plan must meet the requirements listed in §§ 1129(a) or (b) of the
3 Code. These include the requirements that: the Plan must be proposed in good faith; at least one
4 impaired class of claims must accept the plan, without counting votes of insiders; the Plan must
5 distribute to each creditor and equity interest holder at least as much as the creditor or equity
6 interest holder would receive in a chapter 7 liquidation case, unless the creditor or equity interest
7 holder votes to accept the Plan; and the Plan must be feasible. These requirements are not the
8 only requirements listed in § 1129, and they are not the only requirements for confirmation.

9 **A. Who May Vote or Object**

10 Any party in interest may object to the confirmation of the Plan if the party believes that
11 the requirements for confirmation are not met.

12 Many parties in interest, however, are not entitled to vote to accept or reject the Plan. A
13 party in interest has a right to vote for or against the Plan only if that creditor or equity interest
14 holder has a claim or equity interest that is both (1) allowed or allowed for voting purposes and
15 (2) impaired.

16 In this case, the Plan Proponent believes that classes 1-6 are impaired and that holders of
17 claims in each of these classes are therefore entitled to vote to accept or reject the Plan.

18 **1. What Is an Allowed Claim or an Allowed Equity Interest?**

19 Only a creditor or equity interest holder with an allowed claim or an allowed equity
20 interest has the right to vote on the Plan. Generally, a claim or equity interest is allowed if either
21 (1) the Debtor have scheduled the claim on the Debtor's schedules, unless the claim has been
22 scheduled as disputed, contingent, or unliquidated, or (2) the creditor has filed a proof of claim
23 or equity interest, unless an objection has been filed to such proof of claim or equity interest.
24 When a claim or equity interest is not allowed, the creditor or equity interest holder holding the
25 claim or equity interest cannot vote unless the Court, after notice and hearing, either overrules
26 the objection or allows the claim or equity interest for voting purposes pursuant to Rule 3018(a)
of the Federal Rules of Bankruptcy Procedure.

The deadline for filing a proof of claim in this case was April 5, 2018.

a. What is an Impaired Claim or Impaired Equity Interest?

1 As noted above, the holder of an allowed claim or equity interest has the right to vote
2 only if it is in a class that is impaired under the Plan. As provided in § 1124 of the Code, a class
3 is considered impaired if the Plan alters the legal, equitable, or contractual rights of the members
4 of that class.

5 **b. Who is Not Entitled to Vote**

The holders of the following types of claims and equity interests are not entitled to vote:

- 6 • holders of claims and equity interests that have been disallowed by an order of the
7 Court;
- 8 • holders of other claims or equity interests that are not “allowed claims” or “allowed
9 equity interests” (as discussed above), unless they have been “allowed” for voting
10 purposes.
- 11 • holders of claims or equity interests in unimpaired classes;
- 12 • holders of claims entitled to priority pursuant to §§ 507(a)(2), (a)(3), and (a)(8) of the
13 Code; and
- 14 • holders of claims or equity interests in classes that do not receive or retain any value
15 under the Plan;
- 16 • administrative expenses.

17 **c. Who Can Vote in More Than One Class**

18 A creditor whose claim has been allowed in part as a secured claim and in part as an
19 unsecured claim, or who otherwise hold claims in multiple classes, is entitled to accept or reject a
20 Plan in each capacity, and should cast one ballot for each claim.

21 **B. Votes Necessary to Confirm the Plan**

22 If impaired classes exist, the Court cannot confirm the Plan unless (1) at least one
23 impaired class of creditors has accepted the Plan without counting the votes of any insiders
24 within that class, and (2) all impaired classes have voted to accept the Plan, unless the Plan is
25 eligible to be confirmed by “cram down” on non-accepting classes, as discussed in Section B.2,
26 below.

1. Votes Necessary for a Class to Accept the Plan

1 A class of claims accepts the Plan if both of the following occur: (1) the holders of more
2 than one-half (1/2) of the allowed claims in the class, who vote, cast their votes to accept the
3 Plan, and (2) the holders of at least two-thirds (2/3) in dollar amount of the allowed claims in the
4 class, who vote, cast their votes to accept the Plan.

5 A class of equity interests accepts the Plan if the holders of at least two-thirds (2/3) in
6 amount of the allowed equity interests in the class, who vote, cast their votes to accept the Plan.

7 **a. Treatment of Nonaccepting Classes**

8 Even if one or more impaired classes reject the Plan, the Court may nonetheless confirm
9 the Plan if the nonaccepting classes are treated in the manner prescribed by § 1129(b) of the
10 Code. A plan that binds nonaccepting classes is commonly referred to as a “cram down” plan.
11 The Code allows the Plan to bind nonaccepting classes of claims or equity interests if it meets all
12 the requirements for consensual confirmation except the voting requirements of § 1129(a)(8) of
13 the Code, does not “discriminate unfairly,” and is “fair and equitable” toward each impaired
14 class that has not voted to accept the Plan.

15 *You should consult your own attorney if a “cramdown” confirmation will affect your*
16 *claim or equity interest, as the variations on this general rule are numerous and complex.*

17 **C. Liquidation Analysis**

18 To confirm the Plan, the Court must find that all creditors and equity interest holders who
19 do not accept the Plan will receive at least as much under the Plan as such claim and equity
20 interest holders would receive in a chapter 7 liquidation. The Plan proposes to pay all creditors
21 more than they would receive in a chapter 7 liquidation. The Liquidation Analysis attached
22 hereto as **Exhibit B** illustrates that general unsecured creditors and priority tax claims would
23 receive approximately 0% of their claims in a chapter 7 liquidation.

24 **D. Feasibility**

25 The Court must find that Confirmation of the Plan is not likely to be followed by the
26 liquidation or further financial reorganization of the Debtor, or any successor to the Debtor,
unless such liquidation or reorganization is proposed in the Plan.

27 **1. Ability to Initially Fund Plan.**

28 The Debtor believes that he will have enough cash on hand on the Effective Date of the
29 Plan to pay all the Claims and expenses that are entitled to be paid on that date.

1 **2. Ability to Make Future Plan Payments And Operate Without Further**
2 **Reorganization.**

3 The Debtor must also show that he will have enough cash over the life of the Plan to
4 make the required Plan payments. The Debtor has provided financial information showing
5 current cash amounts and projections of cash flow from earnings and from the sale of the
6 Property. See **Exhibit C**.

7 ***You should consult with your accountant or other financial advisor if you have any***
8 ***questions pertaining to the Debtor's projections.***

9 **E. Confirmation Requirements for Individual Debtor.**

10 To confirm the Plan the court must find that “the value of the property to be distributed
11 under the plan is not less than the disposable income of the Debtor (as defined in §1325(b)(2)) to
12 be received during the five-year period beginning on the date that the first payment is due under
13 the plan, or during the period for which the plan provides payments, whichever is longer.” 11
14 U.S.C. §1129(a)(15)(B). The Debtor projects that his disposable income for the 5 year period
15 beginning on the Effective Date will be \$352,000. The Plan provides for payment of more than
16 that amount to the unsecured creditors in Class 6. The Plan, therefore, complies with
17 §1129(a)(15)(B).

18 ***You Should Consult with Your Accountant or other Financial Advisor If You Have***
19 ***Any Questions Pertaining to These Projections.***

20 **V. EFFECT OF CONFIRMATION OF PLAN**

21 **A. Discharge of Debtor.**

22 Debtor is seeking a discharge, upon completion of all payments to be made under the
23 Plan. pursuant to 11 U.S.C. §1141(d)(5), subject to any applicable exceptions to discharge, if
24 any are sustained by the Court, under 11 U.S.C. §1141(d)(6).

25 After confirmation, but before completion of all payments under the Plan, Debtor shall
26 have the right to request, on notice to the appropriate parties, that Debtor's case be closed subject
 to reopening without payment of a re-opening fee or filing fee, for the limited purpose of entry of
 discharge.

Debtor shall be entitled to entry of discharge under 11 U.S.C. §1141 upon completion of the payments to all classes of Creditors in this Plan without regard to the date of completion of such payments. Specifically, Debtor will be entitled to entry of discharge prior to the expiration of seven years from the Effective Date should Debtor complete the payments provided for in this Plan in less than seven years.

B. Modification of Plan

The Plan Proponent may modify the Plan at any time before confirmation of the Plan. However, the Court may require a new disclosure statement and/or revoting on the Plan. Upon request of the Debtor, the United States trustee, or the holder of an allowed unsecured claim, the Plan may be modified at any time after confirmation of the Plan but before the completion of payments under the Plan, to (1) increase or reduce the amount of payments under the Plan on claims of a particular class, (2) extend or reduce the time period for such payments, or (3) alter the amount of distribution to a creditor whose claim is provided for by the Plan to the extent necessary to take account of any payment of the claim made other than under the Plan.

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Respectfully submitted,

Mark E. Delong, Plan Proponent

By: /s/ Nicholas J. Henderson

LIST OF EXHIBITS

Page 19 – AMENDED DEBTOR’S DISCLOSURE STATEMENT
{00085388;1}

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117 SW Taylor St., Suite 300
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Phone: (503) 417-0508
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In re: Mark E. DeLong
Case No. 17-34395-pcm11

DEBTOR'S DISCLOSURE STATEMENT
EXHIBIT A – DEBTOR'S PLAN OF REORGANIZATION

{00085388:1}

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UNITED STATES BANKRUPTCY COURT

DISTRICT OF OREGON

In re:

MARK DELONG,

Debtor.

Case No. 17-34395-pcm11

DEBTOR'S PLAN OF REORGANIZATION
(DATED APRIL 12, 2018)

**ARTICLE I.
PLAN SUMMARY**

This Plan of Reorganization dated April 12, 2018 (the "Plan") under Chapter 11 of the Bankruptcy Code, 11 U.S.C. §§ 101-1532 (the "Bankruptcy Code") proposes to pay creditors of Mark Delong (the "Debtor") in bi-annual installments after confirmation. The Debtor's payments will be made from future operation of the Debtor's business, from Debtor's receipt of rent from a solar farm to be installed in one of the Debtor's properties, and from the receipt of rent from a tenant using the Debtor's real property.

This Plan provides for five classes of secured claims, one class of unsecured claims, and the Debtor himself, as the interest holder. General unsecured creditors holding allowed claims will receive approximately 10% of their claim without interest as further described in the Plan. The Plan also provides for the payment of administrative claims. The Debtor will retain possession of all his assets except as otherwise provided in the Plan.

1 All creditors and interest holders should refer to Articles III through VII of this Plan for
2 information regarding the precise treatment of their claim. A disclosure statement that provides
3 more detailed information regarding this Plan and the rights of creditors and equity holders will
4 be circulated. **Your rights may be affected. You should read these papers carefully and**
5 **discuss them with your attorney, if you have one (if you do not have one, you may wish to**
6 **consult one).**

7 **NOTE: The Plan proposes that the lien of AB Livestock, LLC is secured only by**
8 **non-irrigation equipment owned by the Debtor, as described in Section 3.1.5 below. AB**
9 **Livestock, LLC's asserted lien against all other property is unsecured by virtue of the fact**
10 **that all such property is encumbered by Bank of Eastern Oregon's senior lien.**

11 **ARTICLE II.**

12 **DISCLOSURE STATEMENT**

13 Debtor has filed a Disclosure Statement which Debtor contends satisfies the requirements
14 of §§ 1125 and 1126 of the Bankruptcy Code, and Bankruptcy Rule 3016(c). Prior to mailing
15 the Plan to Creditors for voting, the Court will have considered and approved the Disclosure
16 Statement. The Disclosure Statement provides useful information to assist Creditors in voting on
17 the Plan. A copy of the Disclosure Statement accompanies the Plan and should be considered in
18 conjunction with the Plan.

19 **ARTICLE III.**

20 **CLASSIFICATION OF CLAIMS**

21 **3.1. Secured Creditors.**

22 **3.1.1. Class 1 - Malheur County (Property Taxes)**

23 Class 1 consists of the allowed secured claim of Malheur County for unpaid real property
24 taxes assessed upon the Debtor's real property located within Malheur County, Oregon, having
25 an unpaid balance of \$26,427.34.
26

1 **3.1.2. Class 2 - Bank of Eastern Oregon**

2 Class 2 consists of the disputed secured claim of Bank of Eastern Oregon, in the amount
3 of \$4,662,920.50. The Class 2 claim is evidenced by the following documents (collectively, the
4 “BEO Loan Documents”):

- 5 • Three promissory notes with loan numbers ending with 8512, 8579 and 8546;
- 6 • A deed of trust recorded on December 31, 2013 in the records of Malheur County,
7 Oregon, as Instrument No. 2013-5383.
- 8 • A deed of trust recorded on December 31, 2013 in the records of Malheur County,
9 Oregon, as Instrument No. 2013-5384.
- 10 • A deed of trust recorded on December 31, 2013 in the records of Malheur County,
11 Oregon, as Instrument No. 2013-5385.
- 12 • A deed of trust recorded on November 10, 2004 in the records of Malheur County,
13 Oregon, as Instrument No. 2004-7992.
- 14 • Agricultural security agreements under which Debtor is grantor and Bank of Eastern
15 Oregon is the lender

16 Some of the BEO Loan Documents have been modified, and the Debtor also executed
17 forbearance agreements with the Bank of Eastern Oregon, which purported to modify the terms
18 of the BEO Loan Documents.

19 **3.1.3. Class 3 – Deere & Company dba John Deere Financial**

20 Class 3 consists of the allowed secured claim of Deere & Company dba John Deere
21 Financial, secured by John Deere equipment, as set forth in the Loan Contract – Security
22 Agreement dated September 30, 2013.

23 **3.1.4. Class 4 – Northwest Farm Credit Services, FLCA**

24 Class 4 consists of the allowed secured claim of Northwest Farm Credit Services, FLCA,
25 as evidenced by that deed of trust recorded on December 27, 2005, in the records of Malheur
26 County, Oregon, as Instrument No. 2005-9499.

1 **3.1.5. Class 5 – AB Livestock, LLC**

2 Class 5 consists of the secured claim of AB Livestock, LLC, allowed in the amount of
3 \$56,864, secured by a junior lien (subordinate to Deere & Company) in the Debtor's John Deere
4 4440 Tractor and John Deere Chopper w/ Hay and Corn Head.

5 **3.2. Unsecured Creditors**

6 **3.2.1. Class 6 – General Unsecured Creditors**

7 Class 6 consists of all creditors holding allowed general non-priority unsecured claims.
8

9 **3.3. Interests**

10 **3.3.1. Class 7 – Interests of the Debtor.**

11 Class 7 consists of the Debtor's interest in the property of the estate.
12

13 **ARTICLE IV.**
14 **TREATMENT OF ADMINISTRATIVE EXPENSE CLAIMS,**
15 **PRIORITY TAX CLAIMS AND U.S. TRUSTEE'S FEES**

16 **4.01 Unclassified Claims.** Under section §1123(a)(1), administrative expense claims,
17 and priority tax claims are not in classes.

18 **4.02 Administrative Expense Claims.** Each holder of an administrative expense
19 claim allowed under § 503 of the Code will be paid in full on the Effective Date of this Plan (as
20 defined in Article VIII), in cash, or upon such other terms as may be agreed upon by the holder
21 of the claim and the Debtor.

22 **4.03 Priority Tax Claims.** The Debtor will pay all holders of priority tax claims the
23 full amount of their claims, together with interest beginning from the Effective Date at the rate
24 determined pursuant to 11 USC § 511. Claims will be paid in four equal bi-annual installments,
25 plus interest, commencing on January 15, 2019, and continuing on July 15th and January 15th of
26 each year thereafter until paid in full. The Debtor may prepay all or any portion of such priority
tax claims.

1 **4.04 United States Trustee Fees.** All fees required to be paid by 28 U.S.C.
2 §1930(a)(6) (U.S. Trustee Fees) will accrue and be timely paid until the case is closed,
3 dismissed, or converted to another chapter of the Code. Any U.S. Trustee Fees owed on or before
4 the Effective Date of this Plan will be paid on the Effective Date.

5
6 **ARTICLE V.**
7 **TREATMENT OF CLAIMS AND INTERESTS UNDER THE PLAN**

8 The categories of claims and equity interests listed below classify claims and equity
9 interests for all purposes, including voting, confirmation, and distribution (if any) pursuant to
10 the Plan and pursuant to Sections 1122 and 1123(a)(1) of the Bankruptcy Code. A claim or
11 equity interest shall be deemed classified in a particular class only to the extent that the claim or
12 equity interest qualifies within the description of that class and shall be deemed classified in a
13 different class to the extent that any remainder of such claim or equity Interest qualifies within
14 the description of such different class. A claim or equity interest is in a particular class only to
15 the extent that such claim or equity interest is allowed in that class and has not been paid or
16 otherwise settled prior to the Effective Date.

17 Secured Creditors will retain their liens until paid in full, unless specifically provided
18 otherwise in the Plan. Secured Creditors shall have the option of submitting new security
19 agreements to Debtor consistent with the provisions of the Plan for execution by Debtor. The
20 Debtor agrees to sign such documents upon presentation.

21 Unless otherwise stated, any unpaid deficiency after sale, foreclosure or return of a
22 Secured Creditor's Collateral shall be treated as an Unsecured Claim. Unless a Secured Creditor
23 files an itemized Claim (or amends an existing Claim) to assert a deficiency Claim within 60
24 days after sale, foreclosure or return of its Collateral, any such deficiency Claim shall be deemed
25 waived. A Claim for a deficiency shall be filed with the Court and served upon the Debtor and
26 Debtor's counsel. Unless the Debtor objects to a deficiency Claim within 60 days of service, the
deficiency Claim shall be deemed allowed. Each creditor's lien is secured against the Property
and they are listed in priority order, starting with the most senior creditor.

1 **5.1 Class 1 – Secured Claim of Malheur County**

2 The Class 1 claim of Malheur County is impaired. The allowed secured claim of this
3 Class shall be paid in full, with interest at 16% per annum, in one lump-sum on or before January
4 31, 2019. Until the Class 1 claim is fully paid, the claim will continue to be secured by a lien in
5 all property that secured the lien as of the Petition Date, with the same priority such lien(s) had
6 as of the Petition Date.

7 **5.2 Class 2 – Secured Claim of Bank of Eastern Oregon**

8 The Class 2 claim of Bank of Eastern Oregon is impaired. The disputed Class 2 claim. If
9 allowed, shall be paid as follows: the secured claim amount of \$4,662,920.50 will be paid with
10 interest at 5.75% per annum. If the Class 2 claim is allowed, the BEO Loan Documents shall
11 remain in full force and effect following confirmation, except for the following modifications:

- 12 a) All defaults existing with respect to the BEO Loan Documents shall be deemed cured
13 on the Effective Date;
- 14 b) The Class 2 claim shall accrue interest at 5.25% per year from the Effective Date until
15 paid.
- 16 c) The Class 2 claim shall be amortized over twenty years from the Effective Date.
- 17 d) Debtor will pay the Class 2 claim in equal bi-annual payments of \$189,000 each,
18 commencing on January 15, 2019, and continuing on July 15th and January 15th of
19 each year thereafter until paid.
- 20 e) The maturity date of the Class 2 claim shall be extended to July 25, 2025;
- 21 f) Debtor may pre-pay the Class 2 claim at any time, without penalty.

22 **Bank of Eastern Oregon shall retain its liens only with respect to the Debtor's real**
23 **property, and in the Debtor's pivots, wheellines, mainline pumps and other irrigation**
24 **equipment. Bank of Eastern Oregon's liens as to all other property shall be released as of**
25 **the Effective Date. Within 30 days of the Effective Date, Bank of Eastern Oregon shall**
26 **amend its financing statements to limit its claim security interest to irrigation equipment.**

1 **5.3 Class 3 – Deere & Company**

2 The Class 3 claim of Deere & Company is impaired. The allowed secured claim of this
3 Class shall be paid in full, with interest at 3.4% per annum, in one lump-sum on or before July
4 31, 2019. Until the Class 3 claim is fully paid, the claim will continue to be secured by a lien in
5 all property that secured the lien as of the Petition Date, with the same priority such lien had as
6 of the Petition Date.

7 **5.4 Class 4 – Northwest Farm Credit Services**

8 The Class 4 claim of Northwest Farm Credit Services is impaired. The allowed secured
9 claim of this Class shall be paid in full, with interest at 5.25% per annum, in one lump-sum on or
10 before July 31, 2019. Until the Class 4 claim is fully paid, the claim will continue to be secured
11 by a lien in all property that secured the lien as of the Petition Date, with the same priority such
12 lien had as of the Petition Date.

13 **5.5 Class 5 – AB Livestock, LLC**

14 The Class 5 claim of Northwest Farm Credit Services is impaired. The Class 5 claim shall
15 be allowed as a secured claim in the amount of \$56,864. The Class 5 claim shall be paid in full,
16 with interest at 5.25% per annum, paid in equal bi-annual installments of \$25,000 commencing
17 on July 31, 2019, with like payments due on the last day of the calendar month six months
18 thereafter, until paid in full.

19 **Until the Class 5 claim is fully paid, the claim will continue to be secured by a**
20 **second-priority lien against Debtor's John Deere 4440 Tractor, and Debtor's John Deere**
21 **Chopper w/ Hay and Corn Head. The Class 5 claim is wholly unsecured as to all other**
22 **property owned by the Debtor.**

23 **Within 30 days from the Effective Date, AB Livestock, LLC shall release its security**
24 **interest in all other property owned by the Debtor, and shall amend its financing statement**
25 **to show that its security interest is limited to the Debtor's John Deere 4440 Tractor, and**
26 **the John Deere Chopper w/ Hay and Corn Head.**

1 **5.6 Class 6 – General Unsecured Claims**

2 The Class 6 claims are impaired. Debtor will pay to each holder of an allowed Class 6
3 claim, in cash, such holder's pro-rata share of \$300,000, which shall be paid by the Debtor
4 within five (5) years after the Effective Date. Payments to Class 6 claims shall be made
5 annually. The first annual payment will be due one year after the Effective Date. Subsequent
6 payments will be due on the same date each year thereafter, with the final payment due no later
7 than the fifth anniversary of the Effective Date. Holders of claims in this Class shall be subject
8 to the first annual payment will make distributions to Class 6 creditors on a pro-rata basis on or
9 before the last date of each a

10 **5.7 Class 7 – The Debtor**

11 The Class 7 Debtor shall retain his interests in all of his assets.

12 **ARTICLE VI.**
13 **ALLOWANCE AND DISALLOWANCE OF CLAIMS**

14 **6.01 Disputed Claim.** A Disputed Claim means a Claim against the Debtor, to the
15 extent that a proof of Claim has been timely filed or deemed timely filed under applicable law, as
16 to which an objection has been or may be timely filed by the Debtor, or any other party in
17 interest, and which objection, if timely filed, has not been withdrawn on or before any date fixed
18 for filing such objections by the Plan or order of the Bankruptcy Court, and has not been denied
19 by a final order. To the extent an objection relates to the allowance of only a part of a claim, such
20 claim will be a disputed claim only to the extent of the objection. Before an objection has, been
21 or may be timely filed, for the purposes of this Plan, a claim will be considered a Disputed Claim
22 to the extent that the amount of the Claim specified in the proof of Claim exceeds the amount of
23 the Claim scheduled by the debtor in possession as other than disputed, contingent, or
24 unliquidated.

25 **6.02 Distributions Relating to Disputed Claims.** No distribution will be made on
26 account of a disputed claim unless such claim is allowed by a final non-appealable order. The

1 amount of cash not distributed as a result of the preceding sentence shall be placed in reserves
2 for the benefit of holders of such Disputed Claims.

3 The amount placed in reserves for the benefit of holders of such Disputed Claims shall be
4 held by the Debtor in a separate segregated account, one for each Disputed Claim. Interest
5 generated on such accounts shall be held in the account, pending distribution as outlined below.
6 At such time as all or any portion of a Disputed Claim becomes an Allowed Claim, the
7 distributions reserved for such Disputed Claim or such portion, together with the actual interest
8 earned on account of such funds shall be released from the appropriate Distribution Reserve
9 Account and delivered to the holder of such Allowed Claim within 30 days. In no event shall a
10 Disputed Claim, which becomes an Allowed Claim, receive a distribution in excess of the
11 amount originally reserved for such Claim. At such time as all or any portion of any Disputed
12 Claim is determined not to be an Allowed Claim, the distribution reserved for such Disputed
13 Claim, or such portion, plus any earnings therein, shall be released from the appropriate
14 Distribution Reserve Account to be distributed pursuant to the remaining provisions of the Plan.

15 **6.03 Settlement of Disputed Claims.** The Debtor will have the power and authority to
16 settle and compromise a disputed claim with court approval and compliance with Rule 9019 of
17 the Federal Rules of Bankruptcy Procedure.

18 **ARTICLE VII.**
19 **PROVISIONS FOR EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

20 **7.1** The Debtor assumes the following executory contracts and/or unexpired leases
21 effective upon the Effective Date:

22 **7.1.1** Farm lease with the Hill Family;

23 **7.2** Unless otherwise agreed by the parties to an assumed contract or lease, any
24 defaults will be cured on the Effective Date of the Plan.

25 **7.3** Remaining All executory contracts and leases not otherwise assumed are deemed
26 rejected as of the Effective Date.

ARTICLE VIII.
MEANS FOR IMPLEMENTATION OF THE PLAN

8.1 Termination of Debtor-In-Possession. On the Effective Date of the Plan, the Debtor's status as Debtor-In-Possession shall terminate, and the Debtor shall operate his business affairs and shall not be precluded from engaging in any lawful business activities.

8.2 Re-vesting. On the Effective Date, all property of the estate shall be vested in the Debtor, free and clear of all claims, liens, charges or other interests of creditors arising prior to the entry of the order confirming the Plan, except for liens upon property securing Claims classified as secured claims in the Plan. The property of the Debtor and/or the property of the bankruptcy estate which will vest in the Debtor on the Effective Date includes but is not limited to their respective tax attributes, including but not limited to ordinary loss carry forwards and capital loss carry forwards as defined and allowed under federal and state tax law that the Debtor or the bankruptcy estate were entitled to claim pre-petition, or that arose post-petition.

8.3 Pattie Baker Lease. The Debtor is currently entitled to receive payment for property taxes, utilities and certain expenses related to his real property. Upon the Effective Date, the Debtor and Pattie Baker shall enter into a new lease, by which the Debtor will receive cash payments of \$55,000 per year.

8.4 Business Operations. The Debtor will restart business operations as a cattle farmer, and will continue additional business operations, as set forth below.

8.4.1 Cattle Sales. The Debtor will obtain financing to restart his cattle farming business. The Debtor expects to obtain a six-month loan from the USDA Farm Service Agency to restart his cattle operations, which will enable the Debtor to purchase approximately 600 head of cattle in July of 2018. The USDA Farm Service Agency loan will be secured by cattle purchased with the loan proceeds, and the loan is expected to bear interest at the FSA's then-current rates, which are currently 3.5% per annum. The Debtor will feed the cattle purchased for approximately 150 days, at which time the Debtor will sell the cattle, repay the FSA loan, and retain a profit necessary for continued business operations, plan payments, and living expenses.

1 The Debtor will continue to obtain USDA – FSA loans at least twice per year, and will continue
2 buying, feeding and selling cattle for profit until alternative loans are available to enable the
3 Debtor to expand his operations. The Debtor expects to generate revenues from this segment of
4 his business as set forth on **Exhibit 3**.

5 **8.4.2 Custom Feeding.** In addition to purchasing, feeding and selling cattle, the
6 Debtor will also resume custom feeding operations for other cattle owners. The Debtor expects
7 to generate revenues from this segment of his business as set forth on **Exhibit 3**.

8 **8.4.3 Commission Work.** In addition to Cattle Sales and Custom Feeding, the
9 Debtor will continue providing services to other cattle operations, by purchasing cattle on
10 commission. The Debtor expects to generate revenues from this segment of his business as set
11 forth on **Exhibit 3**.

12 **8.7 Solar Farm.** The Debtor will enter into a solar farm lease by which he will lease,
13 on an annual basis, approximately 150 acres of land for \$800 per acre. The lessee shall also pay
14 all property taxes for the land leased.

15 **8.8 Retention of Avoidance Claims.** Avoidance Claims, if any, are retained by the
16 Debtor. Any holder of a Claim against the Debtor shall automatically have such Claim
17 disallowed without further action by the Debtor or order of this Court if the holder of a Claim
18 fails to repay the Debtor any sum that may be recoverable by the Debtor under Bankruptcy Code
19 §§ 522(f), 522(h), 542, 543, 544, 545, 547, 548, 549, 550 or 724(a) within ten days of a final
20 judgment in the Debtor's favor against such Claim holder, unless such Creditor has posted a
21 supersedeas bond for the entire amount of the Debtor's judgment.

22 **8.9 Retention of Third-Party Claims.** All third-party claims held by the Debtor, to
23 the extent they exist, are preserved. The Debtor, with notice, may abandon third-party claims at
24 any time.

25 **8.10 DIP Account.** On the Effective Date, the money held in the Debtor's debtor-in-
26 possession account shall revert in the Debtor free of liens to fund the Debtor's obligations under
the Plan.

1 **9.6 Controlling Effect.** Unless a rule of law or procedure is supplied by federal law
2 (including the Code or the Federal Rules of Bankruptcy Procedure), the laws of the State of
3 Oregon govern this Plan and any agreements, documents, and instruments executed in
4 connection with this Plan, except as otherwise provided in this Plan.

5 **ARTICLE X.**
6 **DISCHARGE**

7 **10.1 Discharge.** Debtor will receive a discharge of his debts upon completion of all
8 payments to be made under the Plan pursuant to 11 U.S.C. §1141(d)(5), subject to any applicable
9 exceptions to discharge, if any are sustained by the Court, under 11 U.S.C. §1141(d)(6).

10 After confirmation, but before completion of all payments under the Plan, Debtor shall
11 have the right to request, on notice to the appropriate parties, that Debtor's case be closed subject
12 to reopening without payment of a re-opening fee or filing fee, for the limited purpose of entry of
13 discharge.

14 Debtor shall be entitled to entry of discharge under 11 U.S.C. §1141 upon completion of
15 the payments to all classes of Creditors in this Plan without regard to the date of completion of
16 such payments. Specifically, Debtor will be entitled to entry of discharge prior to the expiration
17 of seven years from the Effective Date should Debtor complete the payments provided for in this
18 Plan in less than seven years.

19 **ARTICLE X**
20 **OTHER PROVISIONS**

21 **10.1** All administrative expenses shall be paid on the effective date of the Plan, or as
22 otherwise agreed by the parties.

23 **10.2** The Debtor shall act as his own disbursing agent for payments under the Plan.

24 **10.3** Creditors may not take any actions (including, without limitation, lawsuits or
25 other legal actions, levies, attachments, or garnishments) to enforce or collect either pre-
26 confirmation obligations or obligations due under the Plan, so long as the Debtor is not in
material default under the Plan. Provided that the Debtor does not materially default under the

1 Plan, creditors shall be prohibited from taking any enforcement or collection actions of any kind
2 against the Debtor or any third party-obligor.

3 **10.4** Unless otherwise specified, the following default provisions apply to all creditors:
4 If the Debtor fails to make any payment required under the Plan, or to perform any other
5 obligation required under the Plan for more than fifteen (15) days after the time specified in the
6 Plan, the affected creditor may serve upon the Debtor a written notice of default. The Debtor is
7 in material default under the Plan if the Debtor fails, within days (15) days of the service of such
8 notice of default (plus 3 days for mailing) to either: (i) to cure the default or (ii) to obtain from
9 the court an extension of time to cure the default or a determination that no default occurred.

10 **10.5** The Debtor reserves the right to seek confirmation of the Plan notwithstanding the
11 rejection of the Plan by one or more classes of creditors, pursuant to 11 U.S.C. §1129(b).

12 **10.6** The Bankruptcy Court shall retain jurisdiction of this case until all Plan payments
13 have been made.

14 **10.7** Any notices, requests, and demands required or permitted to be provided under
15 the Plan, in order to be effective, shall be in writing (including, without express or implied
16 limitation, by facsimile transmission), and, unless otherwise expressly provided herein, shall be
17 deemed to have been duly given or made within actually delivered or, in the case of notice by fax
18 transmission, when received and confirmed, addressed as follows:

19 Mark E. Delong
20 c/o Nicholas J. Henderson
21 Motschenbacher & Blattner, LLP
117 SW Taylor Street, Suite 300
Portland, OR 97204

22 **10.8** The rights and obligations of any entity named or referred to in this Plan will be
23 binding upon and will inure to the benefit of the successors or assigns of such entity.

24 **10.9** The Debtor shall execute, deliver, file or record such contracts, instruments,
25 assignments and other agreements or documents, and take or direct such actions as may be
26 necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan.

10.10 The date by which the Debtors or any interested party must file objections to Claims, shall be the first Business Day after 120 days after the Effective Date. Objections to claims not filed by the Claims Objection Bar Date shall be deemed waived.

Dated April 12, 2018

Respectfully Submitted,

/s/ Mark E. Delong

Mark E. Delong

MOTSCHENBACHER & BLATTNER LLP

/s/ Nicholas J. Henderson

Nicholas J. Henderson, OSB No. 074027

Attorney for the Debtor In Possession

In re: Mark E. Delong
Case No. 17-34395-pcm11

DEBTOR'S DISCLOSURE STATEMENT
EXHIBIT B – LIQUIDATION ANALYSIS

{00085388:1}

Exhibit B – Liquidation Analysis

What Unsecured Creditors Would Receive if the Case Were Converted to Ch. 7

Real Property:

Address	Liens	Fair Market Value	Costs of Sale	Exemption	Net Proceeds
2090 7th Ave	County: \$23,079.50 BEO: \$7,167,728.08	\$1,000,000	\$35,000	\$40,000	\$0
2090 7th Ave	BEO: \$7,167,728.08	\$400	\$200	\$0	\$0
4676 John Day Hwy	County: \$23,079.50 BEO: \$7,167,728.08	\$375,000	\$13,125	\$0	\$0
4593 John Day Hwy	County: \$23,079.50 BEO: \$7,167,728.08	\$1,500,000	\$56,000	\$0	\$0
4460 John Day Hwy/ 4462 John Day Hwy	County: \$23,079.50 BEO: \$7,167,728.08	\$1,200,000	\$42,000	\$0	\$0
Corner of 7th Ave and E Rd	County: \$23,079.50 Farm Credit: \$33,000 BEO: \$7,167,728.08	\$625,000	\$23,625	\$0	\$0
Total		\$4,700,400			\$0

Personal Property:

Description	Liquidation Value	Secured Claim	Amount of Exemption	Net Proceeds
Cash and Cash Equivalents	\$1,216.45	\$0	\$400	\$816.45
1995 Chevy Silverado	\$2,500	\$0	\$2,500	\$0
1980 Peterbuilt Semi	\$6,000	\$0	\$0	\$0
Household Furnishings and Food	\$1,700	\$0	\$1,700	\$0
Antiques	\$1,000	\$0	\$1,000	\$0
Shotgun	\$250	\$0	\$250	\$0
Breach of Contract Claim: BEO	Unknown	\$0	\$0	Unknown
AR Claim: Rick Jacobs	\$0	\$0	\$0	\$0
Breach of Contract Claim: Producers Livestock	\$19,000	\$0	\$0	\$19,000
Office Equipment	\$300	\$0	\$300	\$0

Hand and Power Tools	\$5,000	\$0	\$0	\$5,000
Pivots	Unknown	\$0	\$0	Unknown
Horses	\$2,000	\$0	\$1,000	\$1,000
John Deere 4400 Tractor	\$10,000	\$0	\$5,000	\$5,000
Feed Truck	\$2,500	\$0	\$0	\$2,500
John Deere Chopper w/ Corn and Hay Head	\$70,000	\$15,565	\$0	\$54,435
Dump Truck	\$4,000	\$0	\$0	\$0
Trailers	\$4,000	\$0	\$0	\$0
Net Proceeds of Real Property and Personal Property				\$87,751.45
Recovery from Preferences / Fraudulent Conveyances		\$0		
Chapter 7 Administrative Claims	[SUBTRACT]			(\$5,000)
Chapter 11 Administrative Claims	[SUBTRACT]			(\$60,000)
Priority Claims	[SUBTRACT]			(\$11,292)
Chapter 7 Trustee Fees	[SUBTRACT]			(\$7,637)
Chapter 7 Trustee's Professionals	[SUBTRACT]			(\$15,000)
NET FUNDS AVAILABLE FOR DISTRIBUTION TO UNSECURED CREDITORS IN CHAPTER 7				(\$0)

Estimated Amount of Unsecured Claims	\$3,208,435
Proposed Distribution to Unsecured Creditors Under Proposed Plan	\$425,000
Percent Distribution to Unsecured Creditors Under Proposed Plan	13.2%
Available Distribution to Unsecured Creditors in Chapter 7 Case	0
Percent Distribution to Unsecured Creditors Under Liquidation Analysis	0%

In re: Mark E. Delong
Case No. 17-34395-pcm11

DEBTOR'S DISCLOSURE STATEMENT

EXHIBIT C –
DEBTOR'S PROJECTED INCOME AND EXPENSES AFTER CONFIRMATION

	July-18	August-18	September-18	October-18	November-18	December-18	January-19	February-19
Beginning Cash	\$ -	\$ 8,245.00	\$ 16,815.00	\$ 25,385.00	\$ 19,080.00	\$ 13,650.00	\$ 298,570.00	\$ 62,134.00
Cash Inflows								
Operating Loan	\$ 300,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 300,000.00	\$ -
Custom Feed Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150,000.00	\$ -	\$ -
Cattle Sales Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 450,000.00	\$ -	\$ -
Lease Payments	\$ 20,000.00	\$ 20,000.00	\$ 15,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
Commission Work:	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
Total Inflows:	\$ 321,500.00	\$ 21,500.00	\$ 16,500.00	\$ 1,500.00	\$ 1,500.00	\$ 601,500.00	\$ 301,500.00	\$ 1,500.00
Operating Expenses								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ 4,000.00	\$ -	\$ -	\$ 4,000.00
Livestock Purchases	\$ 300,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 300,000.00	\$ -
Feed Supplies / Seed	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,000.00	\$ 10,000.00
Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,400.00	\$ -	\$ -
Repair & Maintenance	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00
Fuel, Supplies and Small Tools	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00
Telephone	\$ 130.00	\$ 130.00	\$ 130.00	\$ 130.00	\$ 130.00	\$ 130.00	\$ 130.00	\$ 130.00
Utilities	\$ 1,800.00	\$ 1,800.00	\$ 1,800.00	\$ 1,800.00	\$ 1,800.00	\$ 1,800.00	\$ 1,800.00	\$ 1,800.00
US Trustee Fees	\$ 325.00	\$ -	\$ -	\$ 4,875.00	\$ -	\$ -	\$ -	\$ -
Total Expenses	\$ 303,255.00	\$ 2,930.00	\$ 2,930.00	\$ 7,805.00	\$ 6,930.00	\$ 11,330.00	\$ 312,930.00	\$ 16,930.00
Subtotal: Cash After Expenses	\$ 18,245.00	\$ 26,815.00	\$ 30,385.00	\$ 19,080.00	\$ 13,650.00	\$ 603,820.00	\$ 287,140.00	\$ 46,704.00
Operating Loan Repayment (w/ Interest)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 305,250.00	\$ -	\$ -
Net Cash Remaining	\$ 18,245.00	\$ 26,815.00	\$ 30,385.00	\$ 19,080.00	\$ 13,650.00	\$ 298,570.00	\$ 287,140.00	\$ 46,704.00
Plan Payments								
Cash Available for Debt Service	\$ 18,245.00	\$ 26,815.00	\$ 30,385.00	\$ 19,080.00	\$ 13,650.00	\$ 298,570.00	\$ 287,140.00	\$ 46,704.00
*** Attorney Fees - M&B	\$ 10,000.00	\$ 10,000.00	\$ 5,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
*** Attorney Fees - Katers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Priority - IRS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,006.00	\$ -
Class 1: Secured - Malheur County	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,000.00	\$ -
Class 2: Secured - Bank of Eastern Oregon	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 192,000.00	\$ -
Class 3: Secured - Deere & Company	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Class 4: Secured - Northwest Farm Credit Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Class 5: Secured - AB Livestock, LLC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Class 6: General Unsecured Claims	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Payments	\$ 10,000.00	\$ 10,000.00	\$ 5,000.00	\$ -	\$ -	\$ -	\$ 225,006.00	\$ -
Ending Cash Balance After Plan Payments	\$ 8,245.00	\$ 16,815.00	\$ 25,385.00	\$ 19,080.00	\$ 13,650.00	\$ 298,570.00	\$ 62,134.00	\$ 46,704.00

	March-19	April-19	May-19	June-19	July-19	August-19	September-19	October-19
Beginning Cash	\$ 46,704.00	\$ 35,274.00	\$ 25,844.00	\$ 7,214.00	\$ 338,334.00	\$ 65,198.00	\$ 60,568.00	\$ 55,938.00
Cash Inflows								
Operating Loan	\$ -	\$ -	\$ -	\$ -	\$ 300,000.00	\$ -	\$ -	\$ -
Custom Feed Revenue	\$ -	\$ -	\$ -	\$ 175,000.00	\$ -	\$ -	\$ -	\$ -
Cattle Sales Revenue	\$ -	\$ -	\$ -	\$ 450,000.00	\$ -	\$ -	\$ -	\$ -
Lease Payments	\$ -	\$ -	\$ 20,000.00	\$ 20,000.00	\$ 15,000.00	\$ -	\$ -	\$ -
Commission Work:	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
Total Inflows:	\$ 1,500.00	\$ 1,500.00	\$ 21,500.00	\$ 646,500.00	\$ 316,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
Operating Expenses								
Property Taxes	\$ -	\$ -	\$ 4,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
Livestock Purchases	\$ -	\$ -	\$ -	\$ -	\$ 300,000.00	\$ -	\$ -	\$ -
Feed Supplies / Seed	\$ 10,000.00	\$ 8,000.00	\$ 4,000.00	\$ 4,000.00	\$ -	\$ -	\$ -	\$ -
Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Repair & Maintenance	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00
Fuel, Supplies and Small Tools	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00
Telephone	\$ 130.00	\$ 130.00	\$ 130.00	\$ 130.00	\$ 130.00	\$ 130.00	\$ 130.00	\$ 130.00
Utilities	\$ 1,800.00	\$ 1,800.00	\$ 31,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 1,800.00
US Trustee Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenses	\$ 12,930.00	\$ 10,930.00	\$ 40,130.00	\$ 10,130.00	\$ 306,130.00	\$ 6,130.00	\$ 6,130.00	\$ 2,930.00
Subtotal: Cash After Expenses	\$ 35,274.00	\$ 25,844.00	\$ 7,214.00	\$ 643,584.00	\$ 348,704.00	\$ 60,568.00	\$ 55,938.00	\$ 54,508.00
Operating Loan Repayment (w/ Interest)	\$ -	\$ -	\$ -	\$ 305,250.00	\$ -	\$ -	\$ -	\$ -
Net Cash Remaining	\$ 35,274.00	\$ 25,844.00	\$ 7,214.00	\$ 338,334.00	\$ 348,704.00	\$ 60,568.00	\$ 55,938.00	\$ 54,508.00
Plan Payments								
Cash Available for Debt Service	\$ 35,274.00	\$ 25,844.00	\$ 7,214.00	\$ 338,334.00	\$ 348,704.00	\$ 60,568.00	\$ 55,938.00	\$ 54,508.00
*** Attorney Fees - M&B	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
*** Attorney Fees - Katers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Priority - IRS	\$ -	\$ -	\$ -	\$ -	\$ 3,006.00	\$ -	\$ -	\$ -
Class 1: Secured - Malheur County	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Class 2: Secured - Bank of Eastern Oregon	\$ -	\$ -	\$ -	\$ -	\$ 192,000.00	\$ -	\$ -	\$ -
Class 3: Secured - Deere & Company	\$ -	\$ -	\$ -	\$ -	\$ 18,500.00	\$ -	\$ -	\$ -
Class 4: Secured - Northwest Farm Credit Services	\$ -	\$ -	\$ -	\$ -	\$ 45,000.00	\$ -	\$ -	\$ -
Class 5: Secured - AB Livestock, LLC	\$ -	\$ -	\$ -	\$ -	\$ 25,000.00	\$ -	\$ -	\$ -
Class 6: General Unsecured Claims	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Payments	\$ -	\$ -	\$ -	\$ -	\$ 283,506.00	\$ -	\$ -	\$ -
Ending Cash Balance After Plan Payments	\$ 35,274.00	\$ 25,844.00	\$ 7,214.00	\$ 338,334.00	\$ 65,198.00	\$ 60,568.00	\$ 55,938.00	\$ 54,508.00

	November-19	December-19	January-20	February-20	March-20	April-20	May-20	June-20
Beginning Cash	\$ 54,508.00	\$ 49,078.00	\$ 392,398.00	\$ 160,962.00	\$ 145,532.00	\$ 134,102.00	\$ 124,672.00	\$ 106,042.00
Cash Inflows								
Operating Loan	\$ -	\$ -	\$ 300,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
Custom Feed Revenue	\$ -	\$ 200,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000.00
Cattle Sales Revenue	\$ -	\$ 450,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 450,000.00
Lease Payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000.00	\$ 20,000.00
Commission Work:	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
Total Inflows:	\$ 1,500.00	\$ 651,500.00	\$ 301,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 21,500.00	\$ 671,500.00
Operating Expenses								
Property Taxes	\$ 4,000.00	\$ -	\$ -	\$ 4,000.00	\$ -	\$ -	\$ 4,000.00	\$ -
Livestock Purchases	\$ -	\$ -	\$ 300,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
Feed Supplies / Seed	\$ -	\$ -	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 8,000.00	\$ 4,000.00	\$ 4,000.00
Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Repair & Maintenance	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00
Fuel, Supplies and Small Tools	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00
Telephone	\$ 130.00	\$ 130.00	\$ 130.00	\$ 130.00	\$ 130.00	\$ 130.00	\$ 130.00	\$ 130.00
Utilities	\$ 1,800.00	\$ 1,800.00	\$ 1,800.00	\$ 1,800.00	\$ 1,800.00	\$ 1,800.00	\$ 31,000.00	\$ 1,800.00
US Trustee Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenses	\$ 6,930.00	\$ 2,930.00	\$ 312,930.00	\$ 16,930.00	\$ 12,930.00	\$ 10,930.00	\$ 40,130.00	\$ 6,930.00
Subtotal: Cash After Expenses	\$ 49,078.00	\$ 697,648.00	\$ 380,968.00	\$ 145,532.00	\$ 134,102.00	\$ 124,672.00	\$ 106,042.00	\$ 770,612.00
Operating Loan Repayment (w/ Interest)	\$ -	\$ 305,250.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 305,250.00
Net Cash Remaining	\$ 49,078.00	\$ 392,398.00	\$ 380,968.00	\$ 145,532.00	\$ 134,102.00	\$ 124,672.00	\$ 106,042.00	\$ 465,362.00
Plan Payments								
Cash Available for Debt Service	\$ 49,078.00	\$ 392,398.00	\$ 380,968.00	\$ 145,532.00	\$ 134,102.00	\$ 124,672.00	\$ 106,042.00	\$ 465,362.00
*** Attorney Fees - M&B	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
*** Attorney Fees - Katers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Priority - IRS	\$ -	\$ -	\$ 3,006.00	\$ -	\$ -	\$ -	\$ -	\$ -
Class 1: Secured - Malheur County	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Class 2: Secured - Bank of Eastern Oregon	\$ -	\$ -	\$ 192,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
Class 3: Secured - Deere & Company	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Class 4: Secured - Northwest Farm Credit Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Class 5: Secured - AB Livestock, LLC	\$ -	\$ -	\$ 25,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
Class 6: General Unsecured Claims	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Payments	\$ -	\$ -	\$ 220,006.00	\$ -	\$ -	\$ -	\$ -	\$ -
Ending Cash Balance After Plan Payments	\$ 49,078.00	\$ 392,398.00	\$ 160,962.00	\$ 145,532.00	\$ 134,102.00	\$ 124,672.00	\$ 106,042.00	\$ 465,362.00

	July-20	August-20	September-20	October-20	November-20	December-20	January-21	February-21
Beginning Cash	\$ 465,362.00	\$ 208,926.00	\$ 204,296.00	\$ 199,666.00	\$ 198,236.00	\$ 192,806.00	\$ 536,126.00	\$ 307,696.00
Cash Inflows								
Operating Loan	\$ 300,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 300,000.00	\$ -
Custom Feed Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000.00	\$ -	\$ -
Cattle Sales Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 450,000.00	\$ -	\$ -
Lease Payments	\$ 15,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commission Work:	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
Total Inflows:	\$ 316,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 651,500.00	\$ 301,500.00	\$ 1,500.00
Operating Expenses								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ 4,000.00	\$ -	\$ -	\$ 4,000.00
Livestock Purchases	\$ 300,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 300,000.00	\$ -
Feed Supplies / Seed	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,000.00	\$ 10,000.00
Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Repair & Maintenance	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00
Fuel, Supplies and Small Tools	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00
Telephone	\$ 130.00	\$ 130.00	\$ 130.00	\$ 130.00	\$ 130.00	\$ 130.00	\$ 130.00	\$ 130.00
Utilities	\$ 1,800.00	\$ 5,000.00	\$ 5,000.00	\$ 1,800.00	\$ 1,800.00	\$ 1,800.00	\$ 1,800.00	\$ 1,800.00
US Trustee Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenses	\$ 302,930.00	\$ 6,130.00	\$ 6,130.00	\$ 2,930.00	\$ 6,930.00	\$ 2,930.00	\$ 312,930.00	\$ 16,930.00
Subtotal: Cash After Expenses	\$ 478,932.00	\$ 204,296.00	\$ 199,666.00	\$ 198,236.00	\$ 192,806.00	\$ 841,376.00	\$ 524,696.00	\$ 292,266.00
Operating Loan Repayment (w/ Interest)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 305,250.00	\$ -	\$ -
Net Cash Remaining	\$ 478,932.00	\$ 204,296.00	\$ 199,666.00	\$ 198,236.00	\$ 192,806.00	\$ 536,126.00	\$ 524,696.00	\$ 292,266.00
Plan Payments								
Cash Available for Debt Service	\$ 478,932.00	\$ 204,296.00	\$ 199,666.00	\$ 198,236.00	\$ 192,806.00	\$ 536,126.00	\$ 524,696.00	\$ 292,266.00
*** Attorney Fees - M&B	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
*** Attorney Fees - Katers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Priority - IRS	\$ 3,006.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Class 1: Secured - Malheur County	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Class 2: Secured - Bank of Eastern Oregon	\$ 192,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 192,000.00	\$ -
Class 3: Secured - Deere & Company	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Class 4: Secured - Northwest Farm Credit Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Class 5: Secured - AB Livestock, LLC	\$ 25,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,000.00	\$ -
Class 6: General Unsecured Claims	\$ 50,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Payments	\$ 270,006.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 217,000.00	\$ -
Ending Cash Balance After Plan Payments	\$ 208,926.00	\$ 204,296.00	\$ 199,666.00	\$ 198,236.00	\$ 192,806.00	\$ 536,126.00	\$ 307,696.00	\$ 292,266.00